

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION

FINANCIAL STATEMENTS

MARCH 31, 2024

Draft

**SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
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MARCH 31, 2024**

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INDEPENDENT AUDITORS' REPORT

To the Members of:
Shoreham Village Senior Citizens Association

Qualified Opinion

We have audited the financial statements of **Shoreham Village Senior Citizens Association** ("the Association"), which comprise the statement of financial position as at March 31, 2024 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and a supplementary schedule.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2024, and results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenues from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenues over expenses, and cash flows from operations for the years ended March 31, 2023 and 2024 and assets and net assets as at March 31, 2023 and 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dartmouth, Nova Scotia
June XX, 2024

Chartered Professional Accountants

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024

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	Unaudited 2024 Budget \$	2024 Actual \$	2023 Actual \$
REVENUES			
Long-term care (Schedule)	8,896,598	9,966,068	9,098,625
Commercial services	<u>-</u>	<u>30,804</u>	<u>30,525</u>
	<u>8,896,598</u>	<u>9,996,872</u>	<u>9,129,150</u>
EXPENSES (SCHEDULE)			
Administrative	558,690	695,211	659,594
Resident care	5,325,660	5,697,437	4,948,374
Dietetic services	1,030,049	1,175,770	1,042,814
Environmental services	698,956	883,024	741,583
Facility services	515,800	621,268	700,886
Program support	363,438	484,864	453,030
Commercial services	<u>-</u>	<u>29,973</u>	<u>27,140</u>
	<u>8,492,593</u>	<u>9,587,547</u>	<u>8,573,421</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER ITEMS	<u>404,005</u>	<u>409,325</u>	<u>555,729</u>
OTHER ITEMS			
Amortization	404,005	487,477	350,270
Interest expense (recovery)	<u>-</u>	<u>(12,000)</u>	<u>25,146</u>
	<u>404,005</u>	<u>475,477</u>	<u>375,416</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>-</u>	<u>(66,152)</u>	<u>180,313</u>

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
AS AT MARCH 31, 2024

	Unrestricted	Internally Restricted	Total 2024
	\$	\$	\$
NET ASSETS			
Balance, beginning of year	616,785	245,287	862,072
Deficiency of revenues over expenses	(66,152)	-	(66,152)
Balance, end of year	<u>550,633</u>	<u>245,287</u>	<u>795,920</u>

	Unrestricted	Internally Restricted	Total 2023
	\$	\$	\$
NET ASSETS			
Balance, beginning of year	436,472	245,287	681,759
Excess of revenues over expenses	<u>180,313</u>	-	<u>180,313</u>
Balance, end of year	<u>616,785</u>	<u>245,287</u>	<u>862,072</u>

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SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

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	2024	2023
	\$	\$
ASSETS		
CURRENT		
Cash (Note 3)	557,703	757,079
Accounts receivable (Note 4)	440,766	213,804
Inventory	63,396	52,356
Prepays	<u>46,414</u>	<u>16,683</u>
	1,108,279	1,039,922
CONTRIBUTION RECEIVABLE	22,671	-
CAPITAL ASSETS (Note 5)	<u>4,903,836</u>	<u>2,905,441</u>
	<u>6,034,786</u>	<u>3,945,363</u>
ASSETS HELD IN TRUST	<u>7,902</u>	<u>9,785</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	1,471,174	915,633
Deferred revenue (Note 7)	<u>654,698</u>	<u>424,814</u>
	2,125,872	1,340,447
LONG-TERM DEBT (Note 8)	1,848,299	267,509
DEFERRED REVENUE - CAPITAL PROJECTS	-	10,209
DEFERRED CAPITAL CONTRIBUTIONS (Note 9)	1,262,625	1,463,056
EMPLOYEE FUTURE BENEFITS (Note 10)	<u>2,070</u>	<u>2,070</u>
	<u>5,238,866</u>	<u>3,083,291</u>
NET ASSETS		
UNRESTRICTED	550,633	616,785
INTERNALLY RESTRICTED	<u>245,287</u>	<u>245,287</u>
	<u>795,920</u>	<u>862,072</u>
	<u>6,034,786</u>	<u>3,945,363</u>
RESIDENTS' TRUST ACCOUNTS	<u>7,902</u>	<u>9,785</u>
COMMITMENTS (Note 12), CONTINGENCY (Note 13)		

Approved by the Board

_____ Director

_____ Director

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

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	2024	2023
	\$	\$
CASH PROVIDED BY (USED FOR):		
OPERATING		
Excess (deficiency) of revenues over expenses	(66,152)	180,313
Items not affecting cash		
Amortization	487,477	350,270
Amortization of deferred capital contributions	(309,981)	(187,472)
	111,344	343,111
Changes in non-cash working capital items		
Accounts receivable	(226,962)	2,554
Inventory	(11,040)	(12,204)
Prepays	(29,731)	(13,645)
Accounts payable and accrued liabilities	555,541	66,953
Deferred revenue	<u>229,884</u>	<u>265,682</u>
	<u>629,036</u>	<u>652,451</u>
FINANCING		
Net change in deferred revenue - capital projects	(32,880)	(45,988)
Receipts of deferred capital contributions	109,550	336,359
Proceeds on long-term debt	1,580,790	267,509
Payments on long-term debt	<u>-</u>	<u>(480,984)</u>
	<u>1,657,460</u>	<u>76,896</u>
INVESTING		
Acquisition of capital assets	(2,485,872)	(928,553)
CHANGE IN CASH	(199,376)	(199,206)
CASH - beginning of year	<u>757,079</u>	<u>956,285</u>
CASH - end of year	<u>557,703</u>	<u>757,079</u>

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

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1. OPERATIONS

Shoreham Village Senior Citizens Association ("the Association"), incorporated under the Province of Nova Scotia's Societies Act, operates in Chester, Nova Scotia under the name Shoreham Village. The Association provides long-term care services and other lifestyle services to older adults and others requiring support.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Cash

Cash consists of cash on hand and bank balances held with a financial institutions.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is measured using the first-in first-out method. Net realizable value is the estimated selling price, including the cost of purchase, transportation and other direct costs attributable to the acquisition of inventory, less any applicable variable selling costs.

Assets held in trust

Assets held in trust consist of deposits held on behalf of residents, which are used for discretionary spending and settlement of outstanding expenses.

Capital assets

Capital assets are recorded at cost. Cost includes the purchase price and other acquisition costs such as installation costs, architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges. Where constructed by the Association, the cost also includes direct construction or development costs, such as materials and labour, as well as overhead costs directly attributable to the construction or development activity. The Association capitalizes interest costs related to building development once the development process has started.

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets (Continued)

Amortization commences when the asset is put into use. One half year's amortization is taken in the year of acquisition. Amortization is provided for using the following rates and method over the estimated useful lives:

Buildings	4 -10 years	Straight-line
Furniture and equipment	5 - 10 years	Straight-line
Roadways	10 years	Straight-line
Vehicles	5 years	Straight-line
Well	10 years	Straight-line

Impairment of long-lived assets

Long-lived assets are reviewed for impairment annually. When conditions indicate a long-lived asset no longer contributes to the Association's ability to provide services or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, its net carrying amount is written down to its fair value or replacement cost.

Income taxes

The Association is a non-profit organization under Section 149.1(1) of the Income Tax Act, and, as such, is exempt from income taxes. Accordingly, no provision has been made in the accounts for income taxes.

Revenue recognition

The Association follows the deferral method of accounting for contributions which includes long-term care contributions and commercial services.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Bequests, donations and memoriams are recognized as revenue of the donation fund (part of the internally restricted fund) when received. Unrestricted investment income is recognized as revenue when earned.

Contributions for capital assets are included as deferred capital contributions and are amortized into revenue at the same rate and on the same basis as amortization of the related capital asset.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed goods and services

Contributed materials and services are recognized in the financial statements when their fair value can be reasonably determined and they are used in the normal course of the Association's operations and would otherwise have been purchased.

The Association benefits from donated services in the form of volunteer time for various programs and objectives of the Association. Due to the difficulty of determining their fair value, these contributed services are not recognized in these financial statements.

Pension expense and obligation

The Association offers a multi-employer defined benefit pension plan to employees under the Nova Scotia Health Employees' Pension Plan. Due to the nature of the plan, the Association does not have sufficient information to account for the plan as a defined benefit plan. Therefore the multi-employer defined benefit pension plan is accounted for in the same manner as a defined contribution plan. An expense is recorded in the period when the Association is obligated to make contributions for services rendered by the employee. Any unpaid contributions are included in accounts payable and accrued liabilities on the statement of financial position.

The Association offers a RRSP plan to employees; the pension expense is equal to the Association's share of the amount of contributions to the plan on behalf of the employees.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as allowance for uncollectable accounts receivable, useful lives of capital assets, employee future benefits, certain accrued liabilities, and contingencies. Actual results could differ from those estimates.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value, except related party transactions which are recorded at the exchange amount established and agreed upon by the related parties.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except related party transactions which are measured at their carrying value.

Financial assets measured at amortized cost include cash, accounts receivable and contribution receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, long-term debt and employee future benefits.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in excess (deficiency) of revenues over expenses. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of any reversal is recognized in excess (deficiency) of revenues over expenses.

Transaction costs

The Association recognizes its transaction costs in excess (deficiency) of revenues over expenses in the period incurred. However, the carrying amounts of the financial instruments that will not be subsequently measured at fair value include the transaction costs that are directly attributable to their origination, issuance or assumption.

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

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3. OPERATING LINE OF CREDIT

The Association has an operating bank overdraft with Scotiabank authorized in the amount of \$50,000. Any outstanding balance bears interest at Scotiabank's prime rate plus 1% per annum. A general assignment of book debts and a floating charge over all other assets owned by the Association and an unlimited guarantee by Shoreham Village Senior Citizens Apartments Association, have been given to the Scotiabank as collateral security for loans. At March 31, 2024, the Association's operating bank overdraft balance was \$NIL (2023 - \$NIL).

4. ACCOUNTS RECEIVABLE	2024	2023
	\$	\$
Trade receivables	278,925	125,312
HST recoverable	165,841	88,492
Allowance for doubtful accounts	(4,000)	-
	<u>440,766</u>	<u>213,804</u>

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2024	Net 2023
	\$	\$	\$	\$
Land, including grounds improvements	201,972	-	201,972	201,972
Buildings	6,220,858	4,842,374	1,378,484	1,704,128
Building under construction	2,923,814	-	2,923,814	588,837
Furniture and equipment	2,748,963	2,374,844	374,119	378,271
Roadways	70,375	70,375	-	-
Vehicles	116,394	90,947	25,447	32,233
Well	<u>135,551</u>	<u>135,551</u>	<u>-</u>	<u>-</u>
	<u>12,417,927</u>	<u>7,514,091</u>	<u>4,903,836</u>	<u>2,905,441</u>

During the year, the Association capitalized \$45,499 (2023 - \$NIL) of interest, which is included in building under construction. No amortization has been taken on the building under construction as the project is currently in progress.

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
	\$	\$
Trade payables	952,677	415,583
Wage accrual	286,100	391,181
Government remittances	194,522	65,946
Other payables	<u>37,875</u>	<u>42,923</u>
	<u>1,471,174</u>	<u>915,633</u>

7. DEFERRED REVENUE

Deferred revenue consists of funding received in advance from the Department of Seniors and Long-term Care for operations.

	2024	2023
	\$	\$
<i>Changes in deferred revenue are as follows:</i>		
Balance - beginning of year	424,814	159,132
Amount recognized as revenue	(7,627,938)	(7,005,796)
Amounts received related to future periods	<u>7,857,822</u>	<u>7,271,478</u>
Balance - end of year	<u>654,698</u>	<u>424,814</u>

8. LONG-TERM DEBT

Department of Municipal Affairs and Housing mortgage, with an authorized limit of \$5,409,400, secured by land and building with a carrying value of \$4,504,270 (2023 - \$2,494,937), bearing interest at 4.99% (2023 - 4.60%) per annum, payable at the substantial completion of the construction phase of the facility project, which is currently projected to be the year ending March 31, 2027.

	2024	2023
	\$	\$
	<u>1,848,299</u>	<u>267,509</u>

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

9. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consists of contributions received from the Department of Seniors and Long-term Care for the acquisition of capital assets.

	2024	2023
<i>Changes in deferred capital contributions are as follows:</i>	\$	\$
Balance - beginning of year	1,463,056	1,314,169
Amortization of deferred capital contributions	(309,981)	(187,472)
Amounts received related to future periods	<u>109,550</u>	<u>336,359</u>
Balance - end of year	<u>1,262,625</u>	<u>1,463,056</u>

10. EMPLOYEE FUTURE BENEFITS

Effective March 31, 2015, the retiring allowance was discontinued. Service up to March 31, 2015 is included in determination of the retiring allowance amount, in addition an early payout option was offered. For those who did not elect to defer their payout, the accrued benefit obligation is equal to their retirement allowance payment. The actuarial liability of the retirement allowance entitlements as at March 31, 2024 is \$2,070 (2023 - \$2,070).

11. PENSION PLAN

The Association contributes to two plans on behalf of its employees. The first is a group registered retirement savings plan in which the Association pays 9.22% - 11.88% of the employees earnings.

The second plan is a multi-employer defined benefit plan administered by the Nova Scotia Health Employees' Pension Plan Trustees in which the Association pays 9.22% of the employees' earnings up to the yearly maximum pensionable earnings.

The most recent actuarial valuation was at July 1, 2021, and showed the following results for the entire plan (in thousands). The next valuation date is planned for July 1, 2024.

	\$
Accrued benefit obligation	10,913,722
Funding excess	3,150,278
Market value of assets	10,739,236

**SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024**

11. PENSION PLAN (Continued)

The Association bears no direct financial liability for any unfunded liability of the plan as the responsibility lies with the plan Trustees.

The amount contributed to the plans for the year ended March 31, 2024 was \$391,514 (2023 - \$370,980) and was expensed as salaries and benefits by the Association.

12. COMMITMENTS

Lease commitments

The Association leases office equipment with terms expiring in 2026. The minimum lease payments for each of the next two years are as follows:

	\$
2025	2,990
2026	2,243

Other contracts

The Association entered into a fee for service management contract with Northwood Support Services Incorporated ("Northwood") on March 14, 2016, which was further renewed on June 13, 2022. Under the terms of the agreement, Northwood provides operational support to the Association in a manner consistent with the Association's Board of Directors policies, by laws and strategic priorities, and alignment with the Association's mission, vision and values. Either party may, at any time and without cause, give the other party 12 months' written notice of termination of the contract. During the year, total fees paid to Northwood under this agreement were \$228,132 (2023 - \$219,360) and were recorded as consulting expense.

13. CONTINGENCY

Sick leave

The Association has a contingent liability for accumulated sick leave. Employees earn sick leave credits at the rate of two eight-hour days per month and shall accumulate sick leave to a maximum of 24 days.

**SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024**

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13. CONTINGENCY (Continued)

Sick leave (continued)

Sick leave benefits are a form of insurance for employees against loss of earnings due to sickness and are not automatic entitlements. Any unused sick leave benefits shall be cancelled on termination of employment. The amount of this potential liability cannot be reasonably estimated and sick leave is expensed in the statement of operations as employees utilize the entitlement.

Transactions with Shoreham Village Senior Citizens Apartment Association

On June 1, 2011, and further renewed on January 20, 2021, the Association entered into a shared well water agreement with Shoreham Village Senior Citizens Apartments Association, an entity not under common control, for wells, pump house and water distribution system situated on the properties of both parties, to be used by the parties in accordance with the agreement. Each party shall pay a proportionate share of all expenses for the operation, maintenance, removal and replacement of pre-existing improvements of the wells, pump house and water distribution system.

Each respective share has been determined by each party's water consumption. The Association is responsible for 70% and Shoreham Village Senior Citizens Apartments Association is responsible for 30% of the total cost of repairs and maintenance on the wells, pump house, circulating pumps, water conditioning system and water pipes to/from all wells. During the year \$19,037 (2023 - \$14,392) was charged to Shoreham Village Senior Citizens Apartments Association with respect to this agreement.

The Association has provided the following in relation to the borrowing of Shoreham Village Senior Citizens Apartments Association:

- a guarantee of the outstanding mortgage with an initial principal amount of \$1,348,717 with terms ending September 2026; and
- a general security agreement providing a security interest in all present and after-acquired personal property.

The loan balance as at March 31, 2024 is \$XXX,XXX (2023 - \$XXX,XXXX).

14. PUBLIC SECTOR COMPENSATION DISCLOSURE ACT

Under Public Sector Compensation Disclosure Act of Nova Scotia, the Association is required to report compensation paid or provided to any person equalling or exceeding \$100,000 during the fiscal year. During the year under audit, Ms. Donna Mitchell, Registered Nurse, was paid \$102,480, and Ms. Kim Croft, Nursing Manager, was paid \$102,802.

15. ECONOMIC DEPENDENCE

The Association is funded by way of a fixed per diem, the cost of which is shared by the Department of Seniors and Long-Term Care and the residents. As such, the Association is dependent upon the Department of Seniors and Long-Term Care to fund capital requirements and operations.

16. FINANCIAL INSTRUMENTS

Risks and concentrations

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at March 31, 2024.

It is management's opinion that the Association is not exposed to significant currency or other price risks from its financial instruments. The risks arising on financial instruments are limited to the following:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Association to concentrations of credit risk consist of cash, accounts receivable and contribution receivable. The Association deposits its cash in reputable financial institutions and therefore believes the risk of loss to be remote. The Association is exposed to credit risk from resident accounts receivable. The Association believes this credit risk is minimized as the Association has a large and diverse resident base as well as amounts outstanding are due from a government organization. A provision for impairment of accounts receivable is established when there is objective evidence that the Association will not be able to collect all amounts due.

16. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, long-term debt, and employee future benefits. The Association generates sufficient cash flow from operating activities to fund operations and fulfill obligations as they become due. Sufficient financing facilities are in place should cash requirements exceed cash generated from operations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its financial obligations at variable interest rates.

17. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform with the financial statement presentation adopted for the current year.

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

18. SUPPLEMENTAL INFORMATION

The operating revenues and expenses for the years ended March 31, 2024 and March 31, 2023 are provided in the following format at the request of the Department of Seniors and Long-Term Care.

	Unaudited 2024 Budget \$	2024 Actual \$	2023 Actual \$
REVENUES			
Department of Seniors and Long-Term Care	6,795,237	6,518,118	6,726,907
Accommodation charges	1,646,161	1,857,163	1,700,908
Private per diems	376,204	1,151,267	463,187
Other	<u>54,660</u>	<u>129,541</u>	<u>108,490</u>
	<u>8,872,262</u>	<u>9,656,089</u>	<u>8,999,492</u>
EXPENSES			
Salaries			
Administration	117,122	164,158	125,304
Direct care	4,108,401	3,949,452	3,242,066
Program support	261,823	359,189	344,977
Dietary	522,550	590,133	482,659
Environmental	479,720	591,888	462,743
Maintenance	90,120	102,924	90,405
Benefits	1,381,475	1,604,099	1,343,668
Operations and Maintenance			
Administration	465,419	538,179	513,515
Direct care	226,038	613,541	774,975
Program support	14,280	16,131	37,553
Dietary	352,999	430,740	401,510
Environmental	71,763	125,229	114,134
Maintenance	400,883	471,911	612,773
Capital	<u>379,669</u>	<u>165,496</u>	<u>276,283</u>
	<u>8,872,262</u>	<u>9,723,070</u>	<u>8,822,565</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>-</u>	<u>(66,981)</u>	<u>176,927</u>

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
SCHEDULE TO STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024

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	Unaudited		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUES			
LONG-TERM CARE			
Deferred contributions	24,336	309,981	99,133
Department of Seniors and Long-Term Care	7,171,441	7,663,223	7,184,429
Other	54,660	129,540	108,490
Resident contributions	<u>1,646,161</u>	<u>1,863,324</u>	<u>1,706,573</u>
	<u>8,896,598</u>	<u>9,966,068</u>	<u>9,098,625</u>
EXPENSES			
ADMINISTRATIVE			
Advertising	600	6,854	29,397
Bad debts	-	4,000	-
Bank charges	5,400	6,087	5,711
Consulting	253,332	256,498	240,160
Employee development	1,200	5,405	1,189
In-home ceremonies	13,200	10,060	8,780
Information technology	49,600	64,165	61,351
Legal and audit	15,840	34,545	31,568
Memberships	13,320	17,939	17,288
Office supplies and postage	25,147	49,213	67,757
Salaries and benefits	149,551	210,758	166,105
Telecommunications	20,100	21,729	21,849
Travel	<u>11,400</u>	<u>7,958</u>	<u>8,439</u>
	<u>558,690</u>	<u>695,211</u>	<u>659,594</u>
RESIDENT CARE			
Contracted services	60,834	419,660	559,746
Drugs	8,399	9,282	7,772
Employee development	-	250	-
Equipment maintenance	16,805	22,143	32,497
Incontinent system	70,000	65,811	81,179
Salaries and benefits	5,099,622	5,093,185	4,176,978
Supplies	70,000	75,103	75,195
Travel	-	218	719
Woundcare	<u>-</u>	<u>11,785</u>	<u>14,288</u>
	<u>5,325,660</u>	<u>5,697,437</u>	<u>4,948,374</u>
DIETETIC SERVICES			
Equipment maintenance	15,642	8,741	28,331
Food and beverages	329,934	339,763	342,219
Salaries and benefits	661,408	736,289	612,973
Supplies and small wares	<u>23,065</u>	<u>90,977</u>	<u>59,291</u>
	<u>1,030,049</u>	<u>1,175,770</u>	<u>1,042,814</u>

SHOREHAM VILLAGE SENIOR CITIZENS ASSOCIATION
SCHEDULE TO STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024

	Unaudited		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
EXPENSES (CONTINUED)			
ENVIRONMENTAL SERVICES			
Contracted services	-	54,847	-
Furnishings	17,873	3,731	28,375
Garbage removal	6,000	6,728	5,494
Salaries and benefits	603,320	747,336	593,579
Supplies	71,763	70,382	114,135
	<u>698,956</u>	<u>883,024</u>	<u>741,583</u>
FACILITY SERVICES			
Cable television	8,388	9,339	8,747
Contracted services	-	-	906
Electricity	112,000	128,810	111,327
Insurance	39,360	39,318	36,200
Landscaping and snow removal	36,000	38,568	41,355
Oil	1,200	1,676	-
Pest control	1,200	1,346	2,188
Propane gas	24,000	38,183	46,255
Property taxes	60,000	71,976	67,077
Repairs and maintenance	104,160	148,064	252,854
Salaries and benefits	115,072	129,240	114,113
Supplies	14,420	14,748	19,864
	<u>515,800</u>	<u>621,268</u>	<u>700,886</u>
PROGRAM SUPPORT			
Contracted services	17,520	30,276	16,733
Salaries and benefits	332,238	445,037	428,073
Supplies	7,200	7,243	7,973
Travel	6,480	2,308	251
	<u>363,438</u>	<u>484,864</u>	<u>453,030</u>
COMMERCIAL SERVICES			
Bus	-	6,924	5,787
Commercial services	-	23,049	21,353
	<u>-</u>	<u>29,973</u>	<u>27,140</u>